



Tom Barrett
Mayor, City of Milwaukee

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Contact: Phillip Walzak
414-286-3677

Mayor Tom Barrett City of Milwaukee 2008 Budget Address

Good morning President Hines, members of the Common Council,
City Attorney Langley, Comptroller Morics, City Treasurer
Whittow, members of the Cabinet and honored guests and
residents of our great City.

I stand before you today to deliver my proposed City budget for
2008.

As stewards of the public's tax dollars, we have a tremendous
obligation to expend the people's money wisely and responsibly.

The people of Milwaukee expect that their government will work to manage and control the tax burden. Our citizens demand that our City government will continue to work to find innovative and effective solutions to the challenges that face our City. And the people of Milwaukee expect that critical city services will be maintained and delivered efficiently.

These are all reasonable and appropriate expectations. I am proud to report that the budget I submit to you today addresses each of these priorities.

This has not been an easy task. These are tight budgetary times. With the budget impasse in Madison throwing into question the State's commitment to the Shared Revenue program, the unexpected and late adjustments in the Expenditure Restraint Payment, and a shrinking federal commitment to local communities, we are faced with challenges and difficult choices.

I know that all of us here today are up to the task; a task that would be made a lot less difficult if the Legislature in Madison would finally approve a state budget with a Shared Revenue increase, funds for police overtime and school choice property tax relief.

But even though they haven't met their responsibility, we will still meet ours. Therefore, I am proud to present a budget today that holds the line on property taxes, strengthens our commitment to public safety, invests more in our economic development and job creation efforts, creates healthier neighborhoods across Milwaukee, and continues to deliver City services effectively.

Controlling Taxes

As Mayor I have made controlling levy growth a priority – the annual average over my four budgets is less than 3.4%. My 2008 budget continues this commitment with a levy increase of just 3.3%. By comparison, in the 4 years before I took office, the

average annual levy increase was more than 7.5%. The City's tax rate in my budget is \$8.01; four years ago, when I first took office, it stood at \$9.73. I thank you – members of the Council – for the work you have done to hold the line on property taxes.

If my 2008 Proposed Budget is adopted, and the State Budget meets its commitment on Shared Revenue as the Comptroller has recognized, the owner of a median valued City property will pay about \$24 more for City services next year, an increase of only 1.7% -- well below the rate of inflation.

My commitment to fiscal health and responsibility also extends to bringing down levy-supported borrowing, and it is paying off. In 2004, our levy supported debt was \$73 million. For 2008, it is just \$60 million – a reduction of \$13 million.

The reduction translates into real taxpayer savings -- more than \$18 million of avoided debt service, or \$1.2 million in annual debt

service payments and a higher bond rating than the state, county and many of our peer cities.

Public Safety

By being fiscally responsible with the taxpayers' money, we are able to invest in the priorities that matter most, and making Milwaukee safer and stronger remains my number one priority.

We will not let up on our efforts to reduce crime and violence, and my budget gives the Milwaukee Police Department the tools it needs to protect Milwaukee's citizens.

In order to beef up neighborhood patrols, I am adding 3 Police Service Assistant positions, in addition to 15 Police Service assistants that we added in 2007 to the Police department. These 18 positions will free up 18 patrol officers for street duty.

Last year, I said that over a two year period, I wanted to put 100 new officers on the streets to make our community safer. By

funding an additional 70 patrol officers over 2 years, and adding more than 30 new civilian positions to allow sworn officers to return to crime-fighting duties, we will have achieved that goal.

We are also laying the foundation for future additions to the police department. My 2008 budget provides funding to allow for continuous recruitment in the Police Department, so that recruit classes can draw on the best available candidates in a timely manner. We project that during 2008 we will achieve an average annual sworn strength level of 2,009, which is the highest level since 1999.

I also propose expanding our successful school security partnership with Milwaukee Public Schools. My revenue proposal, combined with the pending increase in State Shared Revenue, will allow us to expand this program to 10 more high schools, with MPS sharing the costs on a 50/50 basis.

This effort will improve the learning environment in the classrooms helping students and teachers feel more secure. I want to thank Supt. Andrekoupoulos for his cooperation in developing this response to a significant community need.

Our ability to accomplish this task hinges on Shared Revenue. If ever there was an example of the costs to Milwaukee of the Shared Revenue impasse, the school security partnership is the poster child. Without an increase in state Shared Revenue for Milwaukee, we will not be able to expand this program to the 10 additional schools as we hope.

My budget also directs \$1.8 million in new funding to continue the Neighborhood Safety Initiative in 2008. In a few days, the Neighborhood Safety Initiative will come to a close. This summer strategy has proven to be enormously successful.

The Common Council has offered strong support for the Neighborhood Safety Initiative, both for its initial implementation, and for its recent extension, and I thank you for that support.

Just one example of the strategy's success occurred last week when two Milwaukee police officers assigned to the Neighborhood Safety Initiative located a missing baby girl who had been taken by her father.

On the lookout for a stolen vehicle, Milwaukee Officers Jeffrey Pautzke and Michael Krohn alertly stopped the right car, made an arrest, found the little girl and reunited her with her mother.

These officers are here with us today, and I wish to recognize them. Thank you for your service!

This is the kind of success the Neighborhood Safety Initiative is creating in Milwaukee, and is just one example of why we need to continue this effort next summer.

Neighborhood Safety Initiative officers are reaching out to citizens, neighborhood groups and business owners to make contacts, develop relationships and build bridges of trust with the community. Since the start of the Neighborhood Safety Initiative during the Memorial Day weekend, police have made nearly 50,000 contacts, and have created a real police-community partnership in the public safety mission.

This is critical because though police presence on the streets is an important part of the public safety mission, it is by no means the only part. To fight crime and reduce violence we must address the causes of crime, and bring to the table every partner available.

That is why I am proud to support the Common Ground project which brings together a long list of partners – the U.S. Attorney, the District Attorney, City Attorney, the State Department of Corrections, community organizations, neighborhood groups and clergy and religious institutions – to make Milwaukee neighborhoods safe. In the 2008 budget, the City Attorney’s Community Prosecution Unit will have \$393,000 available from its own budget and those of other departments to support this effort.

Economic Development/Job Creation

As I have said many times, a safer, stronger Milwaukee takes more than just additional police resources. We must continue to create jobs, spark growth, encourage development, strengthen and improve our neighborhoods.

I take great pride in recent statistics that show City of Milwaukee investment has created or stands poised to create 11,000 new jobs

since 2004, and that Milwaukee is adding jobs at a faster rate than the State of Wisconsin. But we must do more, and my budget commits resources to continue to spur economic growth and new jobs across our City, and invest in new job training opportunities.

One example is my successful petition for the City of Milwaukee to be designated the lead agency for workforce development in our region, and naming a national leader in workforce issues to lead it – Don Sykes.

Don Sykes and the newly named workforce board have many challenges and opportunities ahead. Dan Bader and the Bader Foundation have graciously committed \$500,000 to fund the effort. The leadership that Don and Dan are providing will pave the way to success.

The City's Job Corps Center will break ground in the summer of 2008. This major development will serve up to 271 resident and

28 non-resident students each year and will provide vocational skill training, career education, health care and job placement services. This will be an incredible resource and I want to acknowledge the leadership and hard work Congresswoman Gwen Moore has dedicated to this effort.

During my time as Mayor I heard from those who are looking for work and experience difficulty finding it; I have also heard from employers who have positions to fill, yet have trouble finding skilled workers to hire. This ‘ships passing in the night’ phenomenon is why the new Milwaukee Workforce Office and the Job Corps Center are so important. And it is why I once again propose funding for the Driver License Restoration Project and our Youth Summer Jobs Program.

A Driver’s License is virtually required to find and secure a job, yet a large number of people in Milwaukee, for whatever reason, do not have one. I am proposing \$200,000 to continue the

Driver's License Restoration initiative. This crucial investment has successfully restored the driving privileges of 109 participants since April 1st – less than six months ago- eliminating a significant impediment to employment. The program is currently at capacity providing vital services to nearly 1,200 clients - and more are interested.

Another program that I am pleased to include in my 2008 budget is funding for the City's Youth Summer Jobs Program. We began this venture together three years ago and the goal is basic: mobilize City government, the nonprofit community and the business sector in Milwaukee to provide high school students paid internships.

The reasons are simple – our youth need summer activities that give them a chance to earn a few bucks, keep them out of trouble, and provide them with special opportunities to experience the workplace and learn critical job skills.

Two years ago 1,000 young people participated; this year that number reached 1,250. I want to keep growing this number, and my budget includes \$300,000 to give Milwaukee high school students a fresh opportunity to excel.

At the same time, we continue to utilize our investment and development toolbox to spark catalytic projects that create jobs and move Milwaukee forward. From the 2,100 new jobs created in the Menomonee Valley, to the addition of a Fortune 200 company to our downtown landscape with Manpower, to the expansion of Direct Supply, El Rey, Columbia Savings and Loan, and many, many more, we are witnessing firsthand the incredible economic growth and development the City can leverage.

Overall, our use of Tax Incremental Financing has already created and or will create an estimated 3,317 jobs and a \$357 million increase in Milwaukee's tax base. And of the 15 TIDs we created

together since I took office, I am very proud to say that 9 are neighborhood focused.

In 2008, I am proposing an additional \$64.6 million in TID authority. These numbers are expected to grow and spark additional growth in Bronzeville, at the Brewery in the former Pabst Brewery location, in the New North Avenue Commerce Center; and the Historic Mitchell Street neighborhood -- I want to create a \$3.1 million Tax Incremental Financing District in Mitchell Street to attract and retain retail, office and service businesses in one of the city's oldest commercial corridors.

We will move forward on the redevelopment of the 30th Street Industrial Corridor and the old Tower Automotive site. I thank Aldermen Ashanti Hamilton, Willie Wade and Joe Davis for their enthusiastic support and commitment to this project. In 2008, I am proposing \$3 million to support retention and expansion of existing

employers as well as redevelop the 86 acre former Tower automotive site. This site must become a part of Milwaukee's successful future, and not a decaying relic of our past. The success that we have achieved with the Menomonee Valley is proof that the City can transform its industrial heritage into a competitive advantage.

As I said earlier, I am proud that 9 of the 15 TIDs we have created are neighborhood focused. Milwaukee's main streets are the backbone of our neighborhoods. Together, we're working with businesses and property owners to boost businesses and add new appeal to our main streets. From the Mosaic District along Burleigh to the South Cesar Chavez Drive Business Improvement District, we're combining public and private resources to attract new business and grow existing ones. Cesar Chavez is a great example. In the heart of the Hispanic community, it features a main street with new stores, bustling commerce and a dynamic business district poised to grow.

Healthier Neighborhoods

Our economic development efforts and job training programs are instrumental to starting new businesses, creating jobs, and keeping and attracting new, young, talented people to our City. They will no doubt make Milwaukee neighborhoods stronger and healthier.

But Healthier Neighborhoods also require investments in community improvements. That is why I am recommending that \$100,000 be spent for a new Healthy Neighborhood initiative, and I thank Alderman Murphy for bringing this idea forward. The City's Healthy Neighborhood funds will be matched by a \$100,000 investment from the Greater Milwaukee Foundation to improve and sustain neighborhoods and homes in areas that do not currently receive City block grant dollars.

I have also directed \$300,000 for improvements to neighborhood recreational fields and tot-lots across the City.

Hartung Quarry neighborhood residents have long sought redevelopment of their neighborhood's landfill. I am proud to support that effort, and am recommending that \$200,000 be dedicated to help convert the landfill to a neighborhood park. I thank the Hartung Quarry neighbors and Alderman Jim Bohl for supporting this plan.

Healthier Neighborhoods also depend on healthy residents, and my budget maintains major health department programs and clinic hours.

My budget enables our Health Department to host again its annual Health Fair in 2008. This past year this effort served over 575 families and 3,000 low-income individuals, and we assisted

families with information and health screenings as they prepared their children for the school year.

Immunization is one example of the Health Fair's success.

Through strong collaborations with MPS, 62% of MPS students met minimum immunization requirements -- compared to 45 % at this time last year. My budget continues to invest in efforts so more of Milwaukee's children can receive the immunizations they need to live healthy, happy lives. My proposed budget plans to deliver 27,000 immunizations to 11,000 clients, and continued progress on lead abatement -- 785 additional units in 2008.

At the same time my budget commits the resources needed to maintain firefighter and EMS response times and services levels for the people of Milwaukee. We have a terrific Fire Department,

and with the investments in this budget it will continue to be one of the best departments in the country.

Healthier Neighborhoods also depend upon increasing access to affordable housing, and my proposed budget allocation of \$400,000 for the Housing Trust Fund, combined with the \$2.5 million of borrowing authority in the 2007 City Budget, will hopefully leverage significant private sector involvement and resources from other governmental entities. Milwaukee has the largest municipal Housing Trust Fund in Wisconsin, and I am proud that our City is taking the lead on this pivotal issue.

Healthier Neighborhoods also look out for those in need, and my budget includes \$75,000 to continue our collaboration with County government and the Continuum of Care Coalition to provide quality supportive housing options for citizens with special needs.

And Healthier Neighborhoods look to the future and make a commitment to environmental improvement. City government is taking the lead with a \$500,000 investment in the Energy Challenge Fund, a capital project that tasks city departments with reducing energy consumption 15% by 2012 through the use of renewable energy, alternative fuel sources, and technology improvements.

My budget continues my emphasis on green spaces in Milwaukee, with an investment of \$500,000 for sustainable boulevards, and \$1.1 million for tree planting across the City. These projects save money in the long run, beautify the City and improve Milwaukee's overall environmental health.

Maintaining Essential City Services

My Administration remains committed to utilizing the tools and resources of the City to tackle head on the major challenges facing

Milwaukee. At the same time, the day-to-day responsibilities of our government must continue – basic services for the people of Milwaukee must be delivered effectively and efficiently.

It starts with infrastructure. My budget includes a \$1 million increase for local street repair and maintenance; a \$580,000 increase for major street and bridge repair and maintenance; a \$560,000 increase for street lighting; a \$1.6 million increase for sewers; and a \$619,500 increase for Water Mains.

My investments in Milwaukee infrastructure will rapidly accelerate our street repair and replacement cycle, from more than 165 years when I took office to a 65-year replacement cycle for local streets by 2013. I am also providing funding to increase the street maintenance season by 4 weeks, so our thoroughfares will continue to receive the repair and maintenance they need.

We also augment infrastructure at the Port of Milwaukee. The Port has enjoyed great success recently -- Port tonnage is currently up 8%, and year-end port tonnage is anticipated to beat last year's 36 year high. My budget includes \$2.1 million to support Port operations to keep that success going.

My budget maintains solid waste services -- garbage and recycling pickup remain at current levels, with no cuts.

And this budget provides strong levels of funding for Milwaukee's libraries. In an effort to begin standardizing library hours, neighborhood libraries with morning hours will open at 10 rather than 10:30. This will increase hours on those days by 30 minutes -- yielding an overall increase of 1%.

Summary

The 2008 City of Milwaukee budget that I propose today holds the line on taxes, invests in Milwaukee's key priorities, and continues to deliver basic City services. It is a budget that meets the challenges we all face together, and emphasizes the priorities that matter most, such as improving public safety, creating jobs and growing our economy, and making Milwaukee neighborhoods stronger and healthier.

I know you share my confidence that we can work together to move our City forward and create a safer, stronger, healthier Milwaukee for every resident.

Thank You.